THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) National Pharmaceutical Pricing Authority has informed that they have not received any information regarding spending huge sums of money annually for establishing and maintaining a relationship with Doctors to increase the sale of their drugs.

(b) and (c) In view of reply to (a) above, does not arise.

Excess charging by pharma companies

†1975. SHRI RAVI SHANKAR PRASAD:
SHRI RAM JETHMALANI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that drug manufacturing companies in the country are selling their products to the consumers on increased price in comparison to fixed price;

(b) if so, the facts in this regard;

(c) the names of these drug manufacturing companies; and

(d) the increased amount charged by every company till September, 2007?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) The price of 74 bulk drugs specified in the First Schedule of the Drugs (Price Control) Order, 1995 (DPCO, 95) and the formulations based thereon are controlled in accordance with the provisions of the DPCO, 95 by the National Pharmaceutical Pricing Authority (NPPA). Prices charged over and above the notified prices are recoverable from the companies concerned under para 13 of the DPCO, 1995. The number of such companies keeps changing based on cases of overcharging detected by NPPA.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. Prices of these drugs are regularly monitored and corrective measures taken where public interest is found to be adversely affected.

Category of medicines

†1976. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that medicines being sold in the country have been divided into two categories as first being public price control and second non-Government price control;

(b) if not, the facts in this regard;

(c) whether it is also a fact that the price of medicines of non-Governmental price-control has been increased almost 10 per cent every year; and

†Original notice of the question was received in Hindi.

(d) if so, the facts in this regard and the reasons behind its so much increase, as generally the rate of inflation has always remained less than 10 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. These bulk drugs have been kept under price control on the basis of criteria mentioned in "Modification in Drug Policy, 1986", announced in September, 1994.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

The Government has delegated powers to the National Pharmaceutical Pricing Authority (NPPA) for fixation of prices of non-Scheduled formulations under Para 10(b) of Drugs (Prices Control) Order, 1995 (DPCO, 1995). Further Government has also reduced the permissible price increase limit in 12 calendar months from 20 per cent to 10 per cent for more effective check on price increases. The monitoring of prices of non-Scheduled formulations is currently on the basis of data from ORG-IMS.

Based on in-house data-based analysis by NPPA of ORG IMS data for the period December, 1994 to July, 2007, it has been observed that the prices of 15 top medicines of 15 top bulk drugs which went out of price control consequent to the promulgation of DPCO'95, have gone up by 9.65% annually.

Prices of medicines

1977. SHRI UDAY PRATAP SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government has reduced the prices of some medicines;

(b) if so, the names of the medicines and name of the manufacturing companies;

(c) whether Government's attention has also drawn that 50 per cent of these medicines are not available in the market after reduction of prices; and

(d) what steps are being taken to ensure the availability of these medicines in the market?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) The prices of 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are controlled in accordance with the provisions of the DPCO, 95 by the National Pharmaceutical Pricing Authority (NPPA). Fixation/revision of prices of bulk drugs and formulations is an on-going exercise undertaken by the NPPA.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. Prices of